

Financial BUSINESS WORLD Commercial

SUGAR INDUSTRY EXPECTED TO BE BENEFITED BY NEW PROVISIONS

Tariff Commission and Unfair Competition Clauses Are Expected to Work for Good of Sugar Producers By Eliminating Uncertainties and Tending Toward Stability in Prices

Hawaii's chief industry, sugar, is as vitally or more vitally interested in tariff legislation than any other American industry and any steps that may be taken to dissipate the clouds of doubt that arise whenever tariff tinkering is undertaken or even talked of is of especial interest to Hawaii. This the "Tariff Commission" provided in the "Revenue Bill" is expected to bring about. This provision and the "Unfair Competition" section are therefore given in full.

The tariff commission membership represents the political parties proportionately. Each member devotes himself entirely to the commission's requirements. Special experts in tariff knowledge are to help the commission. Results are to be reported to Congress the first Monday of December each year. Abundant power is given the commission for examination of papers and witnesses to make their services thoroughly effective. A better and more satisfactory discussion and adjustment of the next tariff is expected to result.

The unfair competition section is especially valuable to American interests, as it does away with the danger resulting heretofore from government bounties and "cartels" given by foreign countries to facilitate exports to the United States at a basis below the costs of production. It also provides for retaliation if any country prohibits importations of United States products. American trade is now more thoroughly protected than it has ever been, both as to its foreign and domestic branches.

Title VII—Tariff Commission.
Sec. 700. That a commission is hereby created and established, to be known as the United States Tariff Commission (hereinafter in this title referred to as the commission), which shall be composed of six members, who shall be appointed by the president, by and with the advice and consent of the senate, not more than three of whom shall be members of the same political party. In making said appointments members of different political parties shall alternate as nearly as may be practicable. The first members appointed shall continue in office for terms of two, four, six, eight, ten and twelve years, respectively, from the date of the passage of this act, the term of each to be designated by the president, but their successors shall be appointed for terms of twelve years, except that any person chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he shall succeed. The president shall designate annually the chairman and vice-chairman of the commission. No member shall engage actively in any other business, function or employment. Any member may be removed by the president for inefficiency, neglect of duty, or malfeasance in office. A vacancy shall not impair the right of the remaining members to exercise all the powers of the commission, but no vacancy shall extend beyond any session of Congress.

Sec. 701. That each commissioner shall receive a salary of \$7500 per year, payable monthly. The commission shall appoint a secretary, who will receive a salary of \$5000 per year, payable in like manner, and it shall have authority to employ and fix the compensation of such special experts, examiners, clerks and other employees as the commission may from time to time find necessary for the proper performance of its duties.

With the exception of the secretary, a clerk to each commissioner, and such special experts as the commission may from time to time find necessary for the conduct of its work, all employees of the commission shall be appointed from lists of eligibles to be supplied by the Civil Service Commission and in accordance with the civil service law.

All of the expenses of the commission, including all necessary expenses for transportation incurred by the commission or by their employees under their orders in making any investigation or upon official business in any other places than at their respective headquarters, shall be allowed and paid on the presentation of itemized vouchers therefor approved by the commission.

Unless otherwise provided by law, the commission may rent suitable offices for its use, and purchase such furniture, equipment, and supplies as may be necessary.

The principal office of the commission shall be in the city of Washington, but it may meet and exercise all its powers at any other place. The commission may, by one or more of its members, or by such agents as it may designate, prosecute any inquiry necessary to its duties in any part of the United States or in any foreign country.

Sec. 702. That it shall be the duty of said commission to investigate the administration and fiscal and industrial effects of the customs laws of this country now in force or which may be hereafter enacted, the relations between the rates of duty on raw materials and finished or partly finished products, the effects of ad valorem and specific duties and of compound specific and ad valorem duties, all questions relative to the arrangement of schedules and classification of articles in the several schedules of the customs law, and in general, to investigate the operation of customs

laws, including their relation to the federal revenues, their effect upon the industries and labor of the country, and to submit reports of its investigations as hereafter provided.

Sec. 703. That the commission shall put at the disposal of the president of the United States, the committee on ways and means of the house of representatives, and the committee on finance of the senate, whenever requested, all information at its command, and shall make such investigations and reports as may be requested by the president or by either of said committees or by either branch of the Congress, and shall report to Congress on the first Monday of December of each year hereafter a statement of the methods adopted and all expenses incurred, and a summary of all reports made during the year.

Sec. 704. That the commission shall have power to investigate the tariff relations between the United States and foreign countries, commercial treaties, preferential provisions, economic alliances, the effect of export bounties and preferential transportation rates, the volume of importations compared with domestic production and consumption, and conditions, causes and effects relating to competition of foreign industries with those of the United States, including dumping and cost of production.

Sec. 705. That upon the organization of the commission, the cost of production division in the bureau of foreign and domestic commerce in the Department of Commerce shall be transferred to said commission, and the clerks and employees of said division shall be transferred to and become clerks and employees of the commission, and all records, papers and property of the said division and of the former tariff board shall be transferred to and become the records, papers and property of the commission.

Sec. 706. That for the purpose of carrying this title into effect the commission or its duly authorized agent or agents shall have access to and the right to copy any document, paper or record, pertinent to the subject matter under investigation, in the possession of any person, firm, partnership, corporation, or association engaged in the production, importation, or distribution of any article under investigation, and shall have power to summon witnesses, take testimony, administer oaths, and to require any person, firm, partnership, or association to produce books or papers relating to such investigation. Any member of the commission may sign subpoenas and members and agents of the commission may administer oaths and affirmations, examine witnesses, take testimony and receive evidence.

Such attendance of witnesses and the production of such documentary evidence may be required from any place in the United States at any designated place of hearing. And in case of disobedience to a subpoena the commission may invoke the aid of any district court of the United States in requiring the attendance and testimony of witnesses and the production of documentary evidence, and such court within the jurisdiction of which such inquiry is carried on may, in case of contumacy or refusal to obey a subpoena, issue an order requiring or other person, issue an order requiring such corporation or other person to appear before the commission, or to produce documentary evidence if so ordered, or to give evidence touching the matter in question; and any failure to obey such order of the court may be punishable by such court as a contempt thereof.

Upon the application of the Attorney General of the United States, at the request of the commission, any such court shall have jurisdiction to issue writs of mandamus commanding compliance with the provisions of this title or any order of the commission made in pursuance thereof.

The commission may order testimony.

HAWAIIAN SUMATRA PLANTATION STOCK LISTED IN JANUARY

Stock of the Hawaiian Sumatra Promotions, Ltd., will be listed on the Honolulu Stock and Bond Exchange the first of the year. It had been planned to list the shares listed October 2, but before Dr. E. C. Waterhouse left for Sumatra plans were changed and the later date for listing was determined on.

The Star-Bulletin is informed by officials of the plantation company that all of its capital stock has been subscribed and that the stock might have been listed this month had it been desired. It was deemed best for a number of reasons, however, to wait until the first of the year. By that time reports will have been received from Dr. Waterhouse.

The Hawaiian Sumatra Promotions was designed for an investment proposition rather than a speculation and those who subscribed for the stock have entered on the investment for the sake of ultimate substantial dividends and not with the idea of a rapid rise of the shares on change.

ENGELS COPPER REPORT SHOWS GOOD PROGRESS

Finances to July 1 and the Physical Conditions to September 1 Told

Copies of the semi-annual report of Engels Copper Mining Company giving financial statements as of June 30 and a report on the physical condition of the property to August 31 have been received in Honolulu and have proved of much interest to stockholders. Monthly production is shown for the first seven months of the year.

Manager E. E. Paxton in his report says that all development work except on the shaft, tunnel No. 6, and the Superior tunnels has been charged to expense. Despite this net earnings for the six months amounted to \$226,224.74 and besides this there had been broken at least 45,000 tons of ore in the stopes which at a most conservative estimate of \$1.25 a ton was equal to \$56,250. That item is to be adjusted at the end of the year but if considered at this time would make the earnings in excess of \$275,000.

From May 1, 1915, to August 31, 1916, work done in the Engels property amounted to 11,000 lineal feet; there was 2800 feet of tunnelling, 1385 of drifting and 3430 of cross cutting. Of this 2670 was on the fifth level, 4640 on the fourth level and 975 in tunnel No. 6. Total excavations amount to 2,702,024 cubic feet.

The underground work is told in detail. Relative to the new tunnel which it is thought is destined to become the chief working tunnel to the proposed new mill the report says:

"A large working tunnel is also being driven in the Superior ore body. A 700 foot Angle Compound Sullivan Compressor has been installed at the power house, exclusively for the development of the Superior claims. This tunnel has now been driven about 200 feet through fair mill ore all the way and is still in the ore body, averaging about 1-1/2 per cent copper. At 120 feet a body of high-grade bonite was struck and crosscuts are now being driven from the main tunnel on this ore. The showing thus far on the Superior is very encouraging and development work will be rushed as fast as possible. This tunnel has been located with reference to the new mill site, tramway connections from the upper group of mines, and also direct connection with the terminal of the Indian Valley Railway."

The following table shows production for the first seven months of the year:

	Ore Milled (Dry)	Concentrates Produced (Dry)
January	6,782	741,584
February	9,361	1,046,884
March	11,814	1,115,083
April	11,718	1,049,671
May	12,760	1,062,980
June	9,173	901,912
July	14,158	1,188,247
Total	75,766	7,105,241
Average		2.27%

Relative to earnings it says:

"While the price of copper has been very high during the current period, the cost of supplies has increased from 50% to 100% above normal prices. Furthermore, the difficulty of getting supplies from the East has necessitated stocking heavily on pebbles, distillate, oils and other mill supplies which have been charged off to expense."

(Continued on page 24)

SALVATION ARMY HOME FOR BOYS SOON TO BUILD

Bids to build the Salvation Army Boys' Home in Manoa valley, the money for which was given by G. N. Wilcox of Kaula, were opened at noon Friday at the office of Emory & Webb, architects. The lowest bid was \$34,844 with a limit of 150 days offered by the Aloha Building Company. Other bidders were Fukuya & Company, \$36,337 in 160 days; Neves & Fernandez, \$36,495 in 220 days; H. F. Bertelmann, \$41,698 in 250 days; J. L. Young Engineering Company, \$42,000 in 130 days; and M. Ohta, \$44,881 in 275 days.

The home when completed will comprise seven buildings. It will be located in the upper Manoa valley mauka of the Salvation Army Girls' Home, the two properties joining.

The dormitory will have accommodations for 100 boys, the hospital is to have 10 beds with all the modern equipment and beside these will be a chicken house, laundry, dairy building, playhouse, water sheds and all other apparatus which goes to make up a modern farm. It is the plan of the home to teach the boys agriculture and animal husbandry between the times they are attending school. All the buildings will be constructed of wood. The property contains 10 acres which will give ample room for the carrying out of all kinds of agricultural instructions.

PLANTATIONS TO DISBURSE FOUR MILLIONS BONUS

Arrangements Made for Making Payments Without Disturbing Local Banks

Approximately \$4,000,000 is the estimate of the amount due to be paid to sugar laborers and contractors by the sugar plantations at the close of the "bonus year" which ends October 31. This arises from the increased and amended schedule as recommended by the trustees of the Hawaiian Sugar Planters' Association adopted in April last but which did not specifically state when the balance due to employees upon October 31 should be paid. This is stated in a notice published by the Hawaiian Sugar Planters' Association in this issue of the Star-Bulletin.

It has been the practice to pay the bonus due October 31 upon the November or December pay day immediately following but this year owing to increases the amount will be approximately \$4,000,000, and regular monthly pay rolls must also be provided for. In order to relieve the burden which this would place upon the local banks the trustees of the association have decided that all plantations located on the islands of Oahu and Hawaii will, where practicable, pay the balance due October 31 during the month of November, while those plantations located on Maui and Kauai will pay bonus balances during December.

MAY GRIND EARLY

Advices from New Orleans under date of September 12, tell of the probability of an early start in grinding. They say:

"The weather during the past week was ideal for the growing crop in Louisiana. Reports from various parts of the sugar belt indicate that the cane is in fine condition, and considerably more matured than it was last year at this time. This favorable condition of the crop may enable the planters to start grinding earlier than October 15 as was at first contemplated."

BUYS TANTALUS HOME

A recent real estate purchase among the society people of Honolulu was that of a lot and house on Tantalus by Mrs. Julia J. Swanzy from Edith M. Davies. The place is to be used as a summer and week-end home as it is much nearer than their other home at the other side of the island.

Pounds Copper Produced	Copper Content of Ore Milled	Grade of Concentrates
217,316	2.30%	29.30%
317,028	2.23%	30.28%
362,907	2.16%	32.54%
380,155	2.29%	36.25%
411,511	2.36%	38.71%
315,732	2.40%	35.91%
423,218	2.19%	35.62%
2,427,867		34.17%

"On June 28 a monthly dividend of 1-1/2% was declared for each of the remaining six months of the present year. The increase in the estimated amount for improvements and the substitution of a broad gauge for narrow gauge railroad and the decision of

(Continued on page 24)

NEW DORMITORY DESIGNED FOR KAUKEOLANI

Bids for the nurses' dormitory of the Kaukeolani Children's Hospital on Kuakini street will be opened October 16 at noon at the offices of Ripley & Davis, architects.

The structure is to be a reinforced concrete two-story building and absolutely fireproof throughout. All walls, floors and staircases will be made of concrete and the window casings and outside doors constructed of steel. Practically the only wood in the interior building will be that of the interior doors.

On the first floor will be located the reception and reading rooms, the matron's room and four bed chambers and on the second floor eight more bed rooms beside a sleeping porch 40x13 feet where the nurses will probably sleep, simply using the bed rooms as places to dress. Lavatories will be connected with every bed room.

The size of the building will be 90x40 feet. In front will be a broad open lawn running the entire width of the building and in the rear a covered lanai over which will be the sleeping porch. The bed rooms will be 12x17 feet.

Arthur Curtis James has been designated a Chevalier of the Crown of Italy in recognition of his generosity in building the \$200,000 school for Italian children in New York.

REAL ESTATE TRANSACTIONS ON INCREASE

Conveyances Show That Demand for Residential Property Exceeds All Others

Demand for real estate, especially in the residential districts, continues to grow. This is true both as to improved residential property and for lots on which homes may be built. It is not confined to any special district but extends all through the city.

The Hawaiian Trust Company reports this week the sale of five lots in various parts of Honolulu, their prices totaling \$8900.

Mrs. Carl Andrews has bought for \$7500 nearly two acres on Tantalus from A. C. Lovekin of California. It is understood that she will build a summer home on the property.

In Puunui, Manoa valley, J. R. Galt has purchased a lot from Edmond Stiles for \$500 and another Puunui sale is that of E. E. Lyman from J. R. Galt for \$1250.

The well known P. C. Jones homestead on Nuuanu street, in which district many of the old families had their homes, has been sold to K. Odo for \$4500. Other property in the same locality belonging to the Jones Estate is also for sale at \$10,000.

In the College Hill tracts, Manoa valley, Harry Sinclair, who is connected with the Pearl City Fruit Company, has purchased a lot from J. H. Birscher for \$1600.

The following conveyances of Honolulu or Oahu property were recorded in the past seven days:

E. K. Knight to Chase Invsmt. Co., Ltd., pos land, Honolulu and Koolau-poko, \$3920.
Percy M. Pond by Atty. and wf. to Mary C. Hueston, lot 88, Royal Grove tract, \$1900.
Elizabeth B. Waterhouse (widow) to Grace Carroll, lot 3 and 3 or lot 4, blk A, rents, etc., Puunui tract, \$1130.
Mabel Phillips to Harold L. Lyon, lots 5 and 25 and 1-2 of lots 6 and 26, blk A, Baseball tract, \$2400.
Sanford B. Dole and wf. to Walter F. Dillingham, Gr. 3219, bldgs, rents, etc., Waikiki, \$700.
Wong Goon Sun and wf. to Lau Hoon Young, 1-2 int in 3640 sq ft of R. P. 2685, Kul. 1739, rents, etc., Pelelia, \$950.

James L. Holt and wf. to Charles Francis, lot 5, Holt tract, \$450.
Henry Waterhouse Trust Co., Ltd. Tr. to Katharine Rathburn, lot 161, sec B, Palolo Hill tract, \$500.
Wong Lin and wf. et al to Wong Kid, lot 6, Perry tract, \$1.
Trent Trust Co., Ltd. Tr. to Abraham P. Pohina, lot 58, Leahi Terrace, \$350.

S. W. Wilcox and wf. to Rebecca K. De Fries, lots 35, 36 and 37, Kekio tract, \$1350.
Carlos A. Long Tr. to Lee Tim, lot 10, Long tract, \$1020.
City Mill Co., Ltd. to Sarah K. White, lots 10 and 11, City Mill tract, \$625.

Carlos A. Long and wf. to Taijro Sumida, lots 23, 25 and 26, blk 29, Kapiolani tract, \$750.
Carlos A. Long and wf. to Moritaro Yamazaki, lots 15, 16, 17, 19 and 21.

Arthur Coyne and wf. to J. Vincent, pos land, Kewalo, \$11,600.
Katy Ryan to Charles K. Hosea, lot 11, Palolo Hillside tract, \$227.91.
Kapiolani Estate, Ltd. to George N. Shaw, int in 1-2 of lot 15, blk 12, Kewalo tract, \$175.
William K. Luther and wf. to Jacobino T. Carriga et al, por Ap. 1 of R. P. 6967, Kul. 4034, bldgs, etc. \$775.
Palolo Land & Imprmt. Co., Ltd. to Mrs. Vigenia H. Herriek, 1-2 of lot 10, blk 203, Palolo valley.
A. C. Lovekin and wf. to Laura A. Andrews, lot 3, Gr. 4426, bldgs, etc., Tantalus drive, \$750.
Henry Waterhouse Trust Co., Ltd. Tr. to Farm Cornn, lots 212 and 213, sec B, Palolo Hill tract, \$800.
Bishop & Co. to Farm Cornn, lots 1, 2, 3, 4, 5, 6, 23 and 24, blk 9-A, Kapiolani, \$800.
John M. Uluahela and wf. by mtge. to Frank S. Cravelho and wf. pos R. P. 3546, Kul. 10498, Kamehameha

IV road, \$1350.
Elizabeth Dutot to Henry E. Petersen, lot 27, blk 10, Kapiolani tract, \$150.
A. Lewis, Jr. and wf. to Henry E. Petersen, lot 23, blk 10, Kapiolani tract, \$275.

DEMAND FOR HOMES IS GREATER THAN EVER; FEW CAN BE RENTED

According to the real estate department of the Hawaiian Trust Company the past week has seen an unusual number of inquiries for homes to rent. The demands are for homes which rent from \$30 to \$50 and from the number of people who have come in, it is evident that the demand far exceeds the supply regardless of the fact that new houses are constantly being built to rent.

A new group of small houses has just been completed on the McDrew estate on Punchbowl street makai of Beretania street and the number of people who have made requests for them are many more than can be accommodated. This is the second group of homes erected on this property.

FIGURES SHOW STOCK MARKET NOT INACTIVE EXCEPT BY COMPARISONS

Volume of Business is Larger Than Normal But Smaller Than During Boom

Sugar stock prices have shown comparatively little change for some time past and such changes as can be noted would, on an average, read as a decline from top prices. And this is in the face of good prices for sugar, large earnings by the companies and dividends paid to the shareholders, prospects of an excellent crop next season and no end of the European war in sight. It is a condition that has proved puzzling to many people.

Commenting on the sugar stock market one of the best known brokers on Merchant street says that he looks for a change and an upward turn in the market and he gave reasons that sounded logical. Stocks had been bought with an expectation of advances on the strength of expected extra dividends. The advance came and the expectations of large dividends were fulfilled. It was natural that those who bought for a rise should take profits. Their gains in increased values were greater than would be the dividends which would accrue to them; they figured and they might have the opportunity to later buy back at a lower figure or to invest original capital and profits in some other way. Stock thus sold had to be absorbed and the process tended to a decline in prices. But the process of absorption has been completed with less shrinking in prices than was to be anticipated.

Continuing this broker said that not only had the companies disbursed large dividends but they had also added largely to surplus, were in a position to make and many of them would make improvements which would tend to reduce production costs materially and thus insure larger earnings on lower priced sugar than had in the past been possible on such figures.

The war, he said, seems as far from an end as it did a year ago. No one forecasts peace in much less than 10

months. Then negotiations would extend over an indefinite period and there would be no reason to expect a decline in sugar prices. He considers that there is reason to expect larger profits and larger dividends in 1917 than in 1916 and pointed out that on a dividend paying basis most sugar stocks were low. He was indefinite as to when he expected a strong rising market to set in, being no more explicit than "soon." His point was that the last rising market had been discounted and so had the reaction from top prices which were to be expected. He could see nothing but strength to the market for Hawaii sugar stocks.

There has been a tendency to speak of the market as dull, comparing it with the days of extreme activity of a few months ago. But those who speak of dullness merely look at the comparatively small number of shares traded in and compare it with the larger markets of the world. On Thursday of this week the sales were just over 1000 shares but the volume of business done was \$47,000 in listed securities. On Wednesday the sales of listed stocks and bonds were in excess of \$80,000. Thus it appears that for the investing population of Hawaii the business of the local exchange is large and even so-called "dull days" are by no means so dull as might appear.

September was called a dull month but the total volume of transactions in listed stocks and bonds in that month amounted to over \$800,000.

Unlisted securities, led by Mineral Products, have been more than ordinarily active. That stock especially has shown strength and been in almost constant demand. Engels Copper stock has shown even greater strength and on much smaller trading has scored a larger advance. Buyers of both these stocks have been able to give excellent reasons for their purchases in the news that has been received from the properties. Honolulu Oil has also scored an advance and has recovered nearly all of its loss on the recent decline.

According to the real estate department of the Hawaiian Trust Company the past week has seen an unusual number of inquiries for homes to rent. The demands are for homes which rent from \$30 to \$50 and from the number of people who have come in, it is evident that the demand far exceeds the supply regardless of the fact that new houses are constantly being built to rent.

A new group of small houses has just been completed on the McDrew estate on Punchbowl street makai of Beretania street and the number of people who have made requests for them are many more than can be accommodated. This is the second group of homes erected on this property.

Where Shall Your New Home Be?

Naturally, it should be in a strict residential neighborhood, where the purchase of property is sure to prove a profitable investment.

Woodlawn

Honolulu's Beautiful Homesite

Ideally answers this description. It offers the home lover who needs rest and quiet after a busy day, a new world of peace and healthfulness where he can absorb the influence of nature's beauties, and enjoy the real comforts of life.

Furthermore, as an opportunity for investment, it is not only safe but more than likely to double in value in the next few years.

Full acres at \$1000 to \$1250. Half acres for \$500 and \$600. Easy Terms can be arranged.

Don't put it off—just call phone 2161 now—an auto will take you all through this desirable property.

Charles S. Desky

New Location
Phone 2161

83 Merchant Street

Campbell Bldg